1   SENATE BILL NO. 159

2   INTRODUCED BY G. HERTZ, M. BLASDEL, J. SMALL, G. VANCE, B. BEARD, J. FULLER, W. GALT, C.

3   KNUDSEN, R. KNUDSEN, S. VINTON, T. WELCH

4   BY REQUEST OF THE GOVERNOR

5

6   A BILL FOR AN ACT ENTITLED: "AN ACT REDUCING THE TOP INDIVIDUAL INCOME TAX RATE;

7   AMENDING SECTION 15-30-2103, MCA; AND PROVIDING AN APPLICABILITY DATE."

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9   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11   **Section 1.** Section 15-30-2103, MCA, is amended to read:

12   "**15-30-2103.   Rate of tax.** (1) There must be levied, collected, and paid for each tax year upon the

13   taxable income of each taxpayer subject to this tax, after making allowance for exemptions and deductions as

14   provided in this chapter, a tax on the brackets of taxable income as follows:

15   (a)   on the first $2,900 of taxable income or any part of that income, 1%;

16   (b)   on the next $2,200 of taxable income or any part of that income, 2%;

17   (c)   on the next $2,700 of taxable income or any part of that income, 3%;

18   (d)   on the next $2,700 of taxable income or any part of that income, 4%;

19   (e)   on the next $3,000 of taxable income or any part of that income, 5%;

20   (f)   on the next $3,900 of taxable income or any part of that income, 6%;

21   (g)   on any taxable income in excess of $17,400 or any part of that income, ~~6.9%~~ ~~6.75%~~ 6.5%.

22   (2)   By November 1 of each year, the department shall multiply the bracket amount contained in

23   subsection (1) by the inflation factor for the following tax year and round the cumulative brackets to the nearest

24      $100. The resulting adjusted brackets are effective for that following tax year and must be used as the basis for

25   imposition of the tax in subsection (1) of this section."

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27   NEW SECTION. **Section 2.   Applicability.** [This act] applies to income tax years beginning after

28   December 31, 2021.

Legislative
Services
Division

1   - END -